

## Message Text

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 STR-04 COME-00 TRSE-00  
CIAE-00 INR-07 NSAE-00 L-03 ITC-01 SS-15 NSC-05  
SSO-00 NSCE-00 INRE-00 LAB-04 SIL-01 /055 W  
-----111214Z 011906 /50S

O R 111116Z MAY 77  
FM AMEMBASSY TAIPEI  
TO SECSTATE WASHDC IMMEDIATE 3521  
INFO AMEMBASSY SEOUL

C O N F I D E N T I A L TAIPEI 2741

PASS STR WOLF/KELLY

E.O. 11652: GDS  
TAGS: ETRD, TW, US  
SUBJECT: FOOTWEAR NEGOTIATIONS

1. U.S. AND ROC FOOTWEAR DELEGATION CONCLUDED CURRENT ROUND  
OF NEGOTIATIONS AMICABLY BUT WITHOUT AGREEMENT. NO FURTHER  
TALKS SCHEDULED ALTHOUGH ROC DELEGATION INDICATED DESIRE TO  
CONTINUE TALKS IN THE FUTURE, EITHER IN WASHINGTON OR IN  
SEOUL.

2. NO FORMAL MEETING HELD FINAL DAY IN VIEW OF WIDE GULF  
STILL SEPARATING BOTH SIDES ON QUESTIONS OF RESTRAINT LEVELS,  
GROWTH AND CATEGORIZATION. LAST, OFFICIAL OFFERS ON TABLE  
WERE:

KOREA	U.S.
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RESTRAINT LEVEL	52 MILLION	16 MILLION
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GROWTH	18 PERCENT	NO POSITION
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CATEGORIZATION	NONE OTHER THAN	PRICE AND ATHLETIC/
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CONSULTATION IF NON ATHLETIC BREAK-  
DISRUPTIVE SHIFTS OUT  
OCCUR

UNOFFICIALLY POSITIONS MUCH CLOSER WITH DIFFERENCES BETWEEN  
34 AND 40 MILLION PAIR, NO GUARANTEED GROWTH OR 10 PERCENT  
GROWTH AND KOREANS ACKNOWLEDGING POSSIBILITY OF CATEGORIES

BUT NOT WISHING TO BE SPECIFIC. ISSUES ON WHICH GUIDANCE REQUESTED IN MAY 10 TELEGRAM NOT DISCUSSED SINCE NO POSSIBILITY OF REACHING AGREEMENT DURING FINAL DATE. BESIDES THREE POINTS MENTIONED ABOVE, STUMBLING BLOCKS INCLUDED GOK'S CONCERN ABOUT SETTING PRECEDENT FOR OTHER COUNTRIES, NAMELY, EC, CANADA AND JAPAN, TO DEMAND ROLL BACKS IN WHOLE HOST OF PRODUCTS. OTHER ELEMENTS WHICH HAVE BEEN CITED MAKING NEGOTIATIONS DIFFICULT ARE GENERAL KOREAN FRUSTRATION OVER RECENT U.S. POSITIONS, E.G., FISHERIES, HUMAN RIGHTS, TROOP WITHDRAWALS AND KOREAN RESENTMENT THAT ACTION ONLY BEING TAKEN AGAINST ASIAN COUNTRIES. KOREANS ALSO SEEM UNABLE TO ACCEPT THAT FIGURES PROPOSED IN WASHINGTON FOR OVERALL CEILINGS WERE MAXIMUM ACCEPTABLE AND NOT OPENING NEGOTIATING ONES.

3. IN VIEW OF POSSIBILITY GROC USING DELAYING TACTIC TO ALLOW AS MUCH FOOTWEAR IMPORTS AS POSSIBLE BEFORE RESTRAINT LEVEL BECOMES EFFECTIVE, U.S. DELEGATION EMPHASIZED TO KOREAN DELEGATION THAT UNILATERAL ACTION COULD BE EFFECTIVE RETROACTIVELY AND WOULD NOT BE ON DATE OF EXPORT BASIS. DELEGATION DID NOT COMMIT ITSELF TO RESUME NEGOTIATIONS AS REQUESTED BY GROC BECAUSE IT DID NOT WANT ANY IMPEDIMENT TO PROMPT ACTION IF IT WERE DECIDED THAT ACTION WAS NECESSARY TO STEM HIGH IMPORT LEVEL.

4. GROC SHOULD UNDERSTAND DELAY CANNOT HELP THEM. DELEGATION REITERATED ON FREQUENT OCCASIONS THAT IN THE FUTURE U.S. SIDE COULD ONLY HAVE LESS FLEXIBILITY IN VIEW OF (A) CONTINUING LARGE IMPORT OF KOREAN FOOTWEAR INTO THE U.S., (B) MOUNTING POLITICAL PRESSURE FOR MORE RESTRICTIVE RESTRAINT IN U.S. AND CONFIDENTIAL

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(C) REDUCED FLEXIBILITY IF GROC AGREES TO OMA. KOREAN PENCHANT TO DELAY UNTIL LAST MOMENT, HOWEVER, WAS NOT OVERCOME AND STALEMATE CONTINUED.

5. DELEGATION APPRECIATES STRONG SUPPORT BOTH SUBSTANTIVELY AND ADMINISTRATIVELY OF AMBASSADOR SNEIDER AND HIS STAFF. SIMILARLY, AFIA ADVISERS HAVE BEEN MOST CONSTRUCTIVE AND VIEWS SEEM TO BE IN HARMONY WITH THOSE OF DELEGATION (VOLUME RETAILER'S ASSOCIATION REPRESENTATIVES MCGOURTY AND ATKINS RETURNED TO U.S. ON MONDAY.) FINALLY, KELLY'S TIMELY TELECON RESPONSES ARE PROVIDING NEEDED BACKUP.

6. U.S. DELEGATION AWAITING WASHINGTON'S COMMENTS PROMISED BY KELLY IN TELECON ON DRAFT ROC/US OMA TEXT REFERENCE SEOUL 3827 (EXDIS). FORMAL DISCUSSIONS ARE SCHEDULED TO BEGIN TOMORROW MORNING TAIPEI TIME. OMISSION IN INSTRUCTIONS TO DELEGATION ON HOW TO DEAL WITH PIPELINE PROBLEM SHOULD NOT BE IMPEDIMENT TO AN ARRANGEMENT WITH ROC. UNLIKE KOREA, ROC SHIPMENTS HAVE NOT SURGED IN 1977.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOOTWEAR, MEETINGS, NEGOTIATIONS  
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**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770165-0974  
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**Original Previous Classification:** n/a  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
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**Status:** NATIVE  
**Subject:** FOOTWEAR NEGOTIATIONS  
**TAGS:** ETRD, TW, US  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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